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**COUNSEL TO DEFENDANT GRANT**  
**JAMES SCOTT III, INDIVIDUALLY**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

In re:	§	Case No. 19-34054-sgj11
	§	
<b>HIGHLAND CAPITAL MANAGEMENT,</b>	§	
<b>L.P.,</b>	§	Chapter 11
	§	
Debtor	§	

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<b>MARC S. KIRSCHNER, AS LITIGATION</b>	§	
<b>TRUSTEE OF THE LITIGATION SUB-</b>	§	
<b>TRUST,</b>	§	
	§	
Plaintiff,	§	Adversary No. 21-03076-sgj
	§	
vs.	§	
	§	
<b>JAMES D. DONDERO; MARK A. OKADA;</b>	§	
<b>SCOTT ELLINGTON; ISAAC LEVENTON;</b>	§	
<b>GRANT JAMES SCOTT III; FRANK</b>	§	
<b>WATERHOUSE; STRAND ADVISORS, INC.;</b>	§	
<b>NEXPOINT ADVISORS, L.P.; HIGHLAND</b>	§	
<b>CAPITAL MANAGEMENT FUND</b>	§	
<b>ADVISORS, L.P.; DUGABOY INVESTMENT</b>	§	
<b>TRUST AND NANCY DONDERO, AS</b>	§	
<b>TRUSTEE OF DUGABOY INVESTMENT</b>	§	
<b>TRUST; GET GOOD TRUST AND GRANT</b>	§	
<b>JAMES SCOTT III, AS TRUSTEE OF GET</b>	§	
<b>GOOD TRUST; HUNTER MOUNTAIN</b>	§	
<b>INVESTMENT TRUST; MARK &amp; PAMELA</b>	§	
<b>OKADA FAMILY TRUST – EXEMPT TRUST</b>	§	
<b>#1 AND LAWRENCE TONOMURA AS</b>	§	
<b>TRUSTEE OF MARK &amp; PAMELA OKADA</b>	§	
<b>FAMILY TRUST – EXEMPT TRUST #1;</b>	§	
<b>MARK &amp; PAMELA OKADA FAMILY TRUST</b>	§	
<b>– EXEMPT TRUST #2 AND LAWRENCE</b>	§	
<b>TONOMURA IN HIS CAPACITY AS</b>	§	
<b>TRUSTEE OF MARK &amp; PAMELA OKADA</b>	§	

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Grant James Scott ("Scott"), a Defendant in the above styled adversary proceeding (the "Adversary Proceeding"), hereby submits this *Motion to Withdraw Reference* (the "Motion"), and respectfully states as follows:

I  
REQUEST FOR RELIEF

1. On October 15, 2021, Plaintiff commenced this Adversary Proceeding against Defendant and others (collectively, the "Defendants") by filing its 400 paragraph, 128 page *Complaint and Objection to Claims* (the "Complaint") [Adv. Dkt. No. 1]. In the Complaint, Plaintiff asserts 36 causes of actions against various Defendants. Plaintiff asserts only four causes of action against Defendant:

- a. Count XV: Aiding and Abetting Breach of Fiduciary Duty Under Delaware Law or Knowing Participation in Breach of Fiduciary Duty under Texas Law. COMPLAINT, p. 90.
- b. Count XVI: Civil Conspiracy to Breach Fiduciary Duties Under Texas Law. COMPLAINT, p. 92.

- c. Count XVIII: Avoidance of CLO Holdco Transfer and Recovery of Transferred CLO Holdco Assets as Constructive Fraudulent Transfers Under 11 U.S.C. §§ 544 and 550 and Applicable State Law. COMPLAINT, p. 96.
- d. Count XIX: Avoidance of CLO Holdco Transfer and Recovery of Transferred CLO Holdco Assets as Intentionally Fraudulent Transfers Under 11 U.S.C. §§ 544 and 550 and Applicable State Law. COMPLAINT, p. 98.

2. Pursuant to 28 U.S.C. § 157(d), and for the reasons set forth in Defendant's accompanying *Brief in Support of Motion to Withdraw Reference* (the "Brief") filed concurrently with this Motion, Defendant requests that the United States District Court for the Northern District of Texas (the "District Court") withdraw the reference of the Adversary Proceeding from the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Bankruptcy Court") with regard to all causes of action asserted by Plaintiff against Defendant. Defendant requests, therefore, that the Adversary Proceeding continue against Defendant as a civil action in the District Court.

WHEREFORE, Defendant respectfully requests that the District Court grant the Motion, withdraw the reference, and grant Defendant such other and further relief as it deems just.

DATED: January 26, 2022

Respectfully submitted,

**KANE RUSSELL COLEMAN LOGAN PC**

By: /s/John J. Kane

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**ATTORNEYS FOR DEFENDANT**

**GRANT JAMES SCOTT**

**CERTIFICATE OF CONFERENCE**

I hereby certify that on January 26, 2022, I discussed the relief requested in this motion with Plaintiff's counsel, Quinn Emanuel Urquhart & Sullivan, LLP. Counsel informed me that Plaintiff opposes to relief requested in the Motion.

/s/ John J. Kane

John J. Kane

**CERTIFICATE OF SERVICE**

I hereby certify that on January 26, 2022, a true and correct copy of the foregoing document was served via the Court's electronic case filing system (ECF) upon all parties receiving such service in this adversary proceeding.

/s/ John J. Kane

John J. Kane